

YOUR BASIC RESULTS OF CINCINNATI COPY RESEARCH

September 1994

2060201699



Purpose

- Agency initiated internal copytesting research to answer the following questions/issues:
 - How do smokers view Basic (vis-a-vis GPC)? What is Basic's image?
 - What do smokers think about the advertising? Which ads do they like/dislike?
 - What does product-focused advertising communicate/do for us?
 - What does "lifestyle" advertising communicate/do for us?

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Sample/Method

- Talked to 28 smokers in Cincinnati during the week of 7/4/94
 - Strong Basic, average GPC market
 - 15 women
 - 13 men
 - 2/3 were Basic smokers
 - 1/3 were competitive discount smokers, aware of Basic
 - Ages 18-54
- Exposed 27 ads
 - 20 had run/will run
 - 7 were comps
- Exercise consisted of:
 - Brand personality of Basic
 - Ad sorts

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Agenda

- Quick Review of Past Smoker Data
- Basic's Brand Personality
- Hypothesis: How the Advertising is Working
- The Ads
- Conclusions/Implications

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Basic Smokers

- Who is the Basic Smoker?
- Answer: It's Everyone
 - Wide range of demography, encompassing many groups of smokers

	YTD June <u>1994</u>	YTD April <u>1996</u>
	%	%
Male	48.0	43.4
Female	52.0	56.6
18-24	8.2	7.5
25-34	25.4	18.9
35-44	28.0	28.5
45-54	19.9	24.2
55-64	12.4	14.9
65+	6.1	6.0
Under \$30K	57.5	52.7
\$35K +	32.4	36.3
No college	65.1	66.9
Any college	33.3	32.4
Married	55.7	61.6
Not married	42.7	37.0

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- What ties disparate groups together is their attitudes about cigarettes and Basic
- Basic Smokers more discriminating about cigarettes than most Deep Discount smokers
 - Look for both good taste and low price (not just low price)
 - See themselves as "smart shoppers"
- View Basic as legitimate brand, not just a "cheap smoke"
 - In developed markets, have sense of pride about their brand
 - Has real name, nice pack (vs. GPC, Black & Whites)
 - Smoked by peers/is socially acceptable

Saw consistent findings in our study...

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Basic's Brand Personality

- Basic's personality very consistent across all smokers in Sample*, Basic smokers and competitive smokers alike
- Viewed in very positive light: hard-working, likable guy
- Importantly, Basic viewed as discriminating, looking for a good value. Unlike "poor cousins" in Discount category who cannot afford more, Basic chooses to spend his money wisely
 - This difference makes Basic a *Brand*, not a Price-point

*Sample: Men and women, predominantly Basic smokers, 18-54

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A Working-Class Joe

- Most common description of Basic was a male blue collar worker in his 20s or 30s. Jobs were factory worker or something outside, like landscaping or construction work

"A man, 21, who works outside landscaping. He dresses casual in jeans and a T-shirt and gym shoes. He's always joking around, but he doesn't offend anyone, he just makes them laugh." (Male, 19, Basic)

"Not a three-piece suit, but an average person in jeans and a T-shirt. Drives a dump truck or truck." (Male, 27, Basic Lights)

"A male, 30-35. A laborer, hard worker -- a mechanic or construction worker." (Female, 31, Basic Lights)

"A man, 23-45, a factory worker or a roofer -- some type of physical labor. He wears jeans, casual clothes, maybe a uniform for work." (Male, 45, Doral Lights 100s)

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"Someone Who You'd Like To Be Around"

- Basic smoker seen as extremely likable, down-to-earth. Described as easy-going, fun, outgoing, average -- not flashy or flamboyant

"He likes to have fun, but he knows his responsibilities: work first then when work is done you can play."
(Male, 19, Basic)

"He's fun and easy-going. He doesn't have hang-ups about name brands as far as things like cigarettes, beer, and jeans." (Female, 31, Basic Lights 100s)

"He's outgoing, funny, someone who you'd like to be around, who doesn't bring you down." (Female, 20, Basic 100s)

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An Outdoorsy Kind Of Guy

- Likes to do simple things for fun, favoring outdoor activities and drinking beer with friends

"He's a rougher type. He likes the outdoors, yard work, and sports like golf. He drinks beer: Budweiser."
(Male, 46, Basic 100s)

"He seems like a nice person. He looks outdoorsy and is up for anything. He's hardworking, but still fun-loving and likes to do things." (Female, 23, Doral Lights 100s)

[What would this person do for fun?] "Softball, fishing, camping, riding motorcycle." (Female, 36, Basic Lights)

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Simple Goals

- Not surprisingly, even his aspirations are simple, with family and financial security being the most-mentioned goal

[What would be his goal in life?] "To raise his family the best he can." (Male, 20, Basic Lights)

"Security for his family." (Male, 30, Basic Lights)

"To retire, have some land and build a house." (Female, 20, Basic 100s)

"To make a decent living. He's the type that wants to have enough money so he can have stuff he can call his own and have something left over for an emergency. Not rich." (Female, 36, Basic Lights)

"To raise a family and have a good house. To make a decent living and stay with his wife." (Female, 18, Cambridge)

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A Smart Shopper, Not Just Another Discount Smoker

- His decision to smoke Basic seen in a positive light: Most viewed him as being smart with money, not cheap

"He doesn't want to get ripped off by buying Marlboro at \$3. A smart shopper. Someone who budgets their money. They have kids and other things to worry about, so not much money to spend on cigarettes." (Male, 20, Basic Lights)

"He's not interested in paying [a lot] for cigarettes, he puts his money somewhere else. They put their money into whatever they're doing, not on cigarettes."
(Female, 23, Doral Lights 100s)

"Looks for the quality in what they get even if they can only pay a lower price." (Female, 31, Basic Lights 100s)

- In other words, Basic is a likable, average working-class guy with good money sense

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Basic vs. GPC

- Past research suggests GPC has lower class image than Basic
 - No-name/generic name, plain pack relay imagery of "bums," "skid row low lifes"
- GPC smoker viewed as less discriminating about cigarettes than Basic smoker
 - GPC more interested in "cheap smokes," satisfied with "acceptable" taste
 - Basic wants good taste at acceptable price
- Here, findings similar. Overall, much agreement regarding GPC's image

2060201711



GPC Will Smoke Anything Cheap

- GPC smoker seen as someone poor, who couldn't afford other cigarettes
 - Versus Basic, who might be able to afford better, but chooses to spend his money wisely
- Negative perception seemed based on both taste (among those who had tried GPC) and package design

"A lower class person who doesn't care as much about what kind of cigarette they smoke. Doesn't try to do better with himself than he can." (Male, 20, Basic Lights)

"GPC smoker will smoke anything: 'Give me the cheapest one you've got.'" (Male, 33, Basic)

"I don't know who would smoke these. Low, low budget, on welfare. Can't afford to buy a pack but still wants to smoke. A girl in flip-flops with lots of kids. Doesn't work so she can collect welfare. Lazy."
(Female, 25, Basic 100s)

"A man. Would be poor, young and living with mom. No job. Rounds up a dollar of change for a pack of cigarettes." (Female, 23, Doral Lights 100s)

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Both GPC and Basic Want to Save

- Several saw GPC and Basic as similar, a view based primarily on price, and perhaps, personal experience with the brand

"Somebody very similar. They want to save a little money and still enjoy. The GPC smoker sits down to a Pepsi and TV instead of a beer [like Basic would]."
(Male, 29, Basic/occasionally GPC)

"Both shopping for a decent cigarette at a good value. GPC is even more cost conscious." (Male, 46, Basic 100s/GPC 100s)

"People about the same because they're both cheap cigarettes." (Female, 25, Basic Ultra Lights)

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Brand Personality Summary

✓ Basic is a cohesive package, relaying a single, positive image.

- Like some other brands, Basic is likable, friendly, easy-going, blue collar man in his 20s or 30s. An average, everyday type of guy, who isn't pretentious
- Distinguishing him from other brands is fact that he's careful about money. His decision to smoke Basic is evidence that he knows a good value when he sees it

✓ Currently, GPC defines bottom end of Category and doesn't rise above it.

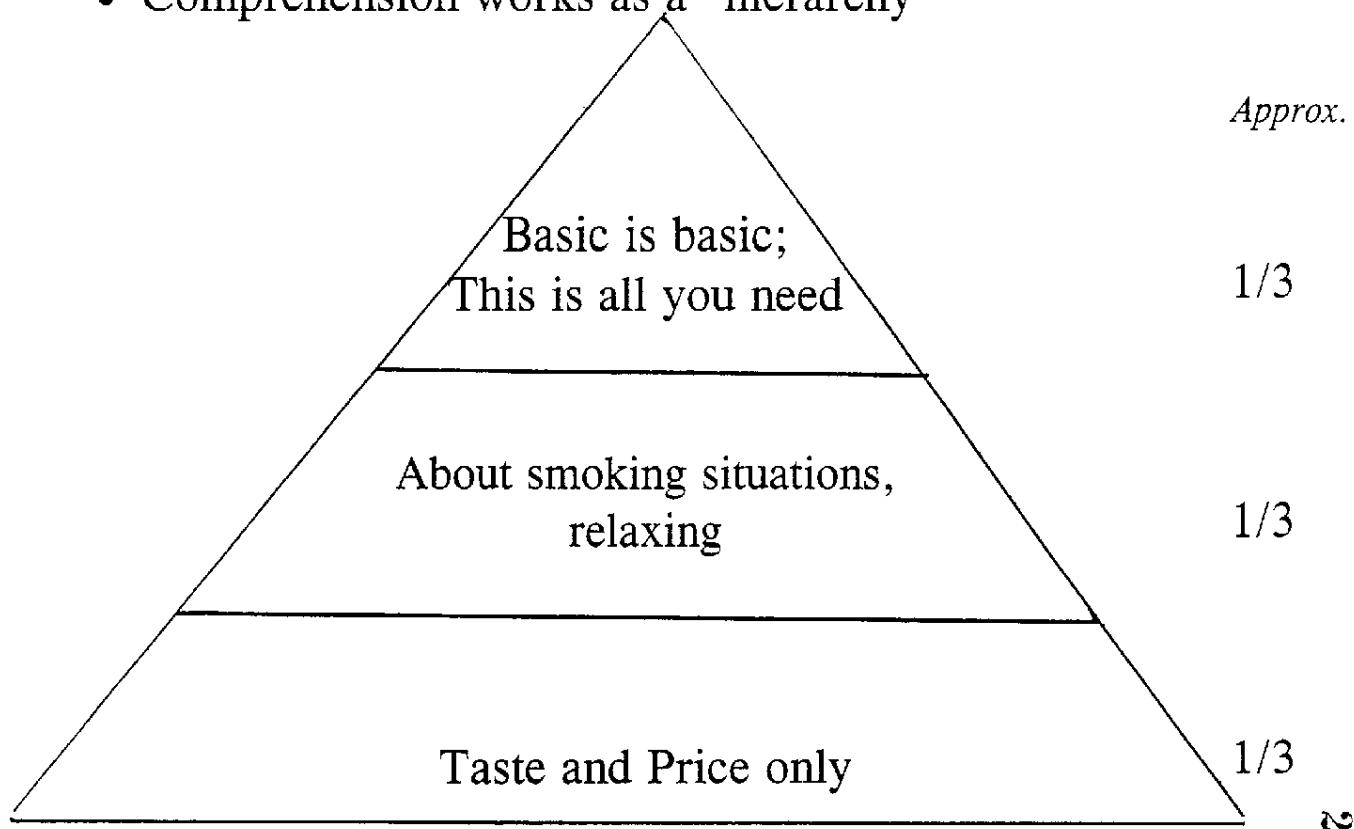
- GPC smoker seen as either similar to Basic smoker, or (more likely) someone very poor and low class

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Hypothesis: How the Advertising is Working

- "Net take-away" of campaign falling into three comprehension tiers
 - Tier represents respondents' overall "gestalt" of what campaign is about; individual ads may convey other messages
- Comprehension works as a "hierarchy"



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**Basic is basic;
This is all you need**

"This is all you need: music, car, fingers, clothes. They've got a sense of humor. There's better (a real concert or a real cigarette holder) but this is just your basic. It's telling you that it's just a basic cigarette. Not great, but tastes good." (Female, 23, Doral Lights 100s)

"It's all you really need. It's all in the name: Basic. All you need is music or matches and ashtray. You don't need all kinds of big things. I think that's true." (Male, 19, Basic)

"These are the next best thing to being there. It's basic. Instead of a calculator, you have a pencil. You have a car, not a big fancy hi-rise office. Your box seat is your recliner. Not a fancy resort, but your backyard. [What does it tell you about the cigarette?] You can get the same satisfaction with the cigarette as with a more expensive cigarette. It's the next best thing without the cost." (Male, 33, Basic)

"With Basic, you have what you need. It can be basic and still be good." (Female, 18, Cambridge)

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About smoking situations, relaxing

"These are fun-loving, relaxed -- what smoking's about." (Male, 33, Basic)

"I'd call these 'smoking places.' It's like somebody's day: driving in a car to work, in this T-shirt, smoking a cigarette, stopping at a phone to call somebody, come home, relax and enjoy the cigarettes." (Female, 19, Basic)

"Basic is enjoyable anywhere you go: on the water, laying out in the sun, in front of the TV, in the car. Basic will relax you." (Female, 20, Basic)



Taste and Price only

"The cost. Good flavor."
(Female, 31, Basic)

"Tastes good and costs less.
Don't have to spend a lot to get a
good cigarette." (Female, 20,
Basic 100s)

"Tells you that you're going to get
a good cigarette at a decent
price." (Male, 44, Doral)

"Costs less, good flavor and tastes
good. Good flavor at a
reasonable price -- that's why I
pick them." (Male, 46, Basic)

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The Ads

- The ads, too, fall into same three overall message groups
- However, just because smoker sees campaign as being about, say, Smoking Situations does not mean that all ads convey this message for him/her
- Rather, certain ads act as "prototypes," defining the main take-away of the group
- Other ads are either confusing for smokers, or do not relay their intended meaning



Taste and Price

- These ads communicate Taste and Price, but very little else
- All Pack Shots fall into this category
 - To a lesser extent, "View"
- Pack Shots clearly and easily communicate proposition
- But, these ads do not convey "attitude" nor idea that Basic is "all you need"
- Importantly, no other ad (i.e., "lifestyle" ads) consistently conveyed Taste and Price on its own

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- Respondents found Pack Shots to be unvarnished and direct
- However, they were divided as to whether or not they liked that
 - Half were positive/neutral
 - Half were negative

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- Half of respondents saw Pack Shots as simple and straightforward
 - Mixture of "Taste and Price Only" smokers and those higher up the tiers

"[What do these tell you about the cigarette?] It's an ordinary cigarette. Not trying to be better than anything -- just a basic cigarette. Not trying to override another brand. It tastes good -- it doesn't say "better" or "best" taste -- I like that. When someone tries to promote something that's too much, it makes you leery, you don't want to believe it." (Male, 33, Basic)

"They're a good product. Cost less, a basic cigarette. Don't spend a lot on advertising -- they won't charge you more." (Female, 23, Doral Lights 100s)

"They're plain but I like it because they get to the point. Nothing flashy about it. I like that." (Male, 30, Basic Lights)

"Plain, tell the truth, catches your eye. No gimmicks. Plain truth about the cigarettes. Don't need frills." (Male, 24, Private Stock)

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- Other half viewed them as boring, all the same, bland, plain

"These are basic ads. A cheap ad. They're all the same. They speak directly about the cigarette. It's a basic brand and these are basic ads. The sayings go with the pictures, but you have to read it to get it. Who cares? They're nothing special." (Female, 25, Basic)

"Nothing there but a pack of cigarettes. I'd ignore them." (Male, 44, Doral)

"Don't like them. Boring. Not witty or anything." (Male, 20, Basic Lights)

"Seem plain. All look the same. No difference. [Points to "Fashion"] This is spruced up, has parts of lifestyle in it. A better ad. I like it." (Male, 26, Basic Lights)

"Their advertising department isn't that good." (Male, 45, Doral Lights 100s)

2060201723



"This Is All You Need"

- Ads about being satisfied with what you've got, not needing anything "fancy"
- Prototypical ad for group: "Necessities"
 - Four others too, but to a lesser extent:
 - "Lighter"
 - "Holder"
 - "Fashion"
 - "Jacket"
- Importantly, communication is "this is all you need" -- "taste and price" comes up only when persistently probed
 - If seen in isolation of Pack Shots, doubtful that "taste and price" message would be conveyed for most smokers
 - Finally, whether or not ads/campaign seen as amusing depends entirely on individual smoker viewing them

2060201724



"Necessities"

- Well-liked ad, because sums up feelings of smokers: this is all you need

"Like food, things you need to live by. The ashtray, cigarettes, matches -- this is all you need." (Male, 19, Basic)

"You have your matches and your cigarettes. You don't need a lighter -- it's basic." (Male, 27, Basic)

- Sense that word "necessities" helped provide smokers with language to describe message of these ads

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"Holder" and "Lighter"

- While ads relay message that this is all you need, reactions to ads in general were polarizing
- Men more likely to find them funny/witty, while women thought they were silly, plain/dull or confusing
 - Also true, to lesser extent, for "Necessities"

"Holder"

"It's catchy. It's funny." (Male, 37, Basic Lights)

"It's humorous, would put me in a good mood. That's what everyone wants, right? To be in a good mood." (Male 45, Doral Lights 100s)

"I don't know. I didn't get it. Maybe if it was holding a cigarette or a pack. It's too impersonal." (Female, 31, Basic Lights 100s)

"Lighter"

"This really caught my attention. Clever. It's just matches -- has a flame. That's all you need." (Male, 19, Basic)

"It's too plain. Doesn't have no coloring or nothing." (Female, 29, Basic Lights 100s)

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"Fashion" and "Jacket"

- Very well-liked ads
- Most smokers described Basic smoker as wearing jeans and T-shirts
- More importantly, very relevant, as respondents see themselves dressing like this

"This is just like the Basic person I described. It's like we all are after we get home. You can be yourself.

Don't have to act like somebody that you're not. It's just like with cigarettes. Generics are okay. I don't know why I should try to hide them." (Female, 36, Basic)

- Ads also suggest a younger adult smoker for a few respondents, which they saw as negative
 - May be driven by word "fashion" -- for older smokers, jeans and T-shirt are normal, everyday clothing
 - Although communicating "this is all you need" message, ads have potential to be Smoking Situations due to relaxed feeling

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Smoking Situations, Relaxation

- Ads about relaxing with a cigarette, in situations which are conducive to smoking
- Three ads driving comprehension for this category:
 - "Box Seat"
 - "Cruise"
 - "Resort"
- For some respondents, ads also convey "this is all you need" -- when seen in context of other "lifestyle" ads
 - If got one, tended to get them all
- Ads do not convey Taste and Price message on their own
- Overall, these were best-liked ads
 - Depict relevant, enjoyable scenes
- However, for several smokers, ads convey "lazy" smoker
 - May be due to respondents seeing three "chair" ads in a row



- Could be an issue, however, as imagery inconsistent with more active person that smokers described as the Basic smoker

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"Resort"

- Most liked ad overall -- slightly beating out "Cruise"
- About relaxing and smoking a cigarette

"Reminds me of things I would be doing while smoking a cigarette. Just relaxing." (Male, 29, Basic)

"Relaxing with a cigarette. Fun-loving, relaxed. What smoking's about." (Male, 38, Basic)

"You're just relaxing in the sun, smoking." (Female, 20, Basic)

- A few also got that this was all you need for a vacation
- However, a few mentions about a lazy Basic smoker

2060201730



"Cruise"

- One of the most liked ads overall
- Seemed to be relevant:
 - Relaxing in the sun, smoking
 - For a few, this is what they'd do for a cruise

"I would love to be here -- floating in the water, smoking." (Female, 19, Basic Lights 100s)

"The cigarette to smoke when you relax." (Male, 30, Basic Lights)

"Basic will relax you. Just sitting in the sun." (Female, 20, Basic Lights 100s)

"Your basic cruise. You're out in your pool -- about as basic as you can get." (Female, 23, Doral Lights 100s)

2060201731



"Box Seat"

- Very well-liked by many
 - Funny
 - Relevant
 - About smoking and relaxing

"I enjoy smoking when I watch TV." (Female, 31, Yours)

"This is something I would do. Watch TV and smoke." (Male, 29, Basic)

- A few understood that this was all they needed to enjoy a game

"I could see myself sitting there watching the game -- it costs too much to be there in person." (Male, 27, Basic)

- Others thought it made the Basic smoker seem lazy, a couch potato

"You have to be a couch potato to smoke. A bad image." (Male, 46, Basic)

"Sitting around, watching TV and that's all you do." (Male, 24, Private Stock)

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"They sit around the TV a lot. Not outdoors, not having fun." (Female, 23, Doral Lights 100s)

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Other Ads

- "Concert"
 - "Window Office"
 - "Car Phone"
 - "Calculator"
 - "Smokers"
-
- These were either confusing to smokers, or they didn't convey their intended messages
 - Ads may be irrelevant to people who don't have window office (or know what one is), don't have/need Walkman, etc.
 - Many suffered because smokers did not see link between objects shown and cigarettes/ smoking
 - E.g., "Car Phone"

"It doesn't relate to cigarette smoking. It doesn't make sense. It's just stupid." (Female, 25, Basic Ultra Lights)

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Conclusions/Implications

- Let's take step back, and review what advertising set out to accomplish

Basic Strategy

Brand Essence

Basic is a decent quality, affordable cigarette. The core essence of the brand has grown out of its memorable name and no-frills packaging. It never pretends to be something that it is not. Rather, it is proud of what it is, and expresses the sense of being basic in an unpretentious and humorous way.

Convince

Smokers who temporarily cannot or will not consistently pay the premium prices of full margin brands, and have made a decision to either dabble in or commit to buying low priced cigarettes. They would like to smoke a credible brand and need reinforcement that they're getting the price, quality, and brand acceptance they deserve.

That

You will feel proud to smoke Basic

Because

Basic is a quality low priced cigarette with unexpected candor about its price, name and quality.

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- Given Strategy, expected to find that ads relayed:
 - Product proposition of Taste and Price for *every smoker*
 - Overlay of attitude of "unpretentiousness" and "This is all you need" for some (smaller) group of smokers
- But, that's not what we found

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✓ Strategy seems to be right on course; however, currently our campaign is not conveying the strategy.

- Rather, campaign is fragmented into multiple layers:
 - Various reactions to ads
 - Different message communication of specific ads
 - Diverse communication of net take-away of entire campaign

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- ✓ In simplest form, ads communicating on three separate levels.

	Taste and Price	Smoking, relaxing	This is all you need
All Pack Shots	✓		
"Resort" "Box Seat" "Cruise"		✓	✓
"Necessities" "Lighter" "Holder" "Fashion" "Jacket"		✓	✓

- However, even within these groupings, found wide variety of reactions, depth of understanding

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- "Taste and Price" being clearly communicated by Pack Shots
 - However, Pack Shots viewed as all alike, monotonous. Run risk of becoming like "wallpaper"
 - Sole communication for 1/3 of sample -- suspect in "real world" percentage would be higher
- "This Is All You Need" only communicated by certain "lifestyle" ads
 - And, idea is not getting through to 2/3 of our smokers
 - Further, they do not communicate "Taste and Price"

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- "Smoking Situations, and Relaxing" ads are nice for smokers to look at/relate to, but they do not differentiate Basic from other Brands
 - Idea is "added bonus" but not enough to build a campaign on

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"Concert"

- Although a favorite ad, smokers not reacting as we had thought
- Few understood intended meaning of ad
- Rather, ad about listening to music while smoking

"[What's the main idea?] Smoke while listening to music." (Female, 18, Cambridge)
- Walkman visual suggests younger adult smokers, and athletic people (e.g., joggers)
 - Comment made by smokers of different ages

"Anyone who exercises wouldn't be smoking." (Male, 45, Doral Lights 100s)

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"Window Office"

- A few smokers understood that this was "more realistic" window office for many people

"A realistic, day to day thing for a lot of people - not like the hi-rise offices." (Male, 27, Basic)

"Most people don't have an office with windows except for in the car when driving to work." (Female, 19, Basic)

- Other smokers were confused
 - What does this have to do with cigarettes?
 - Just another place where you can smoke?



"Car Phone"

- Appeared to be more confusing than other "lifestyle" ads
 - Hard to relate to cigarettes
 - Hard to understand in general

"It doesn't relate to cigarette smoking. It doesn't make sense. It's just stupid." (Female, 25, Basic Ultra Lights)

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"Calculator"

- One of the least liked ads
- Confusing
- Hard to relate to smoking/cigarettes
- Too plain

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"Smokers"

- Slightly less confusing than "Calculator"
 - Some didn't get it at all/didn't know what the symbols were for
 - Others thought it meant both men and women smoke Basic
- Still, general dislike for the ad
 - Too plain
 - Too confusing/silly
 - Hard to link to cigarettes

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